



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

July 8, 2008

Bernard Alexander, Plant Manager
PACTIV Corporation – Santa Fe Springs
12500 E. Slauson Ave. Bldg #H-1
Santa Fe Springs, CA 90670

Dear Mr. Alexander:

RE: **FINAL MONITORING VISIT REPORT** for Pactiv Corporation (Pactiv) – ET06-0323

Date of the Visit:	7/7/08
Beginning/Ending Time:	09:30 a.m. – 11:00 a.m.
Date of Last Visit:	11/13/07
Visit Location:	Santa Fe Springs, CA
Persons in attendance:	Gus Gonzalez, Human Resources Manager, Pactiv Marissa Tolentino, ETP Contract Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	6/7/06 – 6/6/08	Agreement Amount:	\$176,176
Training Start Date:	06/07/06	No. to Retain:	121
Date Training must be Completed:	03/08/08	Range of Hours:	24 – 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	112

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
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SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (05/16/2007)

FINAL REPORT SUMMARY:

The Agreement was executed on June 22, 2006 and training began on June 9, 2006. Your staff reported that all training was completed on March 7, 2008, which allows for the 90-day retention period to be completed within the term ending date of the Agreement of June 6, 2008.

According to Mr. Gonzalez, of the 121 trainees specified on Chart 1, Exhibit A of the Agreement, 26 trainees (21%) completed training and the 90-day retention period. The Agreement is based on a variable reimbursement training plan. Pactiv Corporation is reimbursed for the exact number of training hours provided to each trainee completing between 24 to 200 hours of Class/Lab training in Business Skills, Computer Skills, Continuous Improvement, Management Skills or Manufacturing Skills. The ETP Class/Lab Tracking Report shows that you have delivered 2,649.74 class/lab training hours for 26 trainees who meet the minimum hours. Assuming all other Agreement requirements are met, Pactiv Corporation would earn approximately \$34,446.62 (19%) of the total ETP Agreement amount of \$176,176. Since you have been paid \$29,404 to date, you will receive an additional \$5,042.42 if the anticipated number to retain is verified during the final fiscal closeout.

Mr. Gonzalez stated that you did not earn 100% of the ETP Agreement Amount because you could not take credit of several ETP training sessions because some trainers did not report ETP classes to Mr. Gonzalez for tracking or they were not properly documented (missing trainer or trainee signatures). In addition, 79 trainees were dropped due to voluntary or involuntary termination. Ms. Tolentino informed Mr. Gonzalez that when a trainee voluntarily terminates his/her employment after completing training, but before the end of the applicable retention period, the contractor will be reimbursed for that trainee if that trainee is employed by another eligible employer for the applicable retention period within the Agreement term (Reference: Title 22 California Code of Regulations, Section 4400(v)(3)]. Mr. Gonzalez indicated that he is not aware if the trainees who voluntarily quit went to an ETP-eligible employer or if their retention period is within the Agreement term. Therefore, he will not request a special review for potential reimbursement.

Mr. Gonzalez indicated that with the exception of poor recordkeeping by internal trainers, ETP record keeping was not a problem and you did not experience any barriers in implementing the ETP Training. Also, the ETP Online System is very user-friendly. With the ETP training provided to workers the company's productivity increased, error rate decreased and employee morale improved.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Started Training:	105	Completed Training:	26
Trainees Enrolled:	105	Completed Retention:	26
Dropped Following Enrollment:	79	In Retention Period:	0
No. Completed Minimum Reimbursable Hours :	26		

ATTENDANCE ROSTERS:

Ms. Tolentino reviewed Class/Lab Rosters of eight Job 1 trainees billed on Invoices 2 through 4.

The review revealed that the information currently required by ETP was properly documented on the sampling; the Agreement curriculum was provided as specified; the ratio of one trainer to 20 retrainees specified in the Agreement Training Plan was adhered to and Rosters validated the invoices for the completion of the required hours (8) of training for enrollment and the Total Class/lab Training hours required in this Agreement.

Mr. Gonzalez was advised that these findings are based only on the training records reviewed during this Visit and represent only a sample of the training records completed to date. Further that it is your responsibility to ensure that all training records are in compliance with Panel requirements for auditing purposes. [Reference: Title 22 California Code of Regulations, Section 4442(b)]

INVOICES:

Ms. Tolentino advised Mr. Gonzalez that the Final Invoice must be submitted within 30 days from the expiration date of the Agreement and if more time was required, you should request for an extension by writing to Kulbir Mayall, Fiscal Manager in the ETP Sacramento office.

AUDIT:

Pactiv Corporation will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Ms. Tolentino at (818) 755-1311 or by email at MTolentino@etp.ca.gov within ten (10) working days from the receipt of this letter.

Sincerely,

SIGNATURE ON FILE

Dolores Kendrick, Manager
North Hollywood Regional Office

SIGNATURE ON FILE

Marissa Tolentino, Contract Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, Program Operations Division
Kulbir Mayall, Manager, Fiscal and Certification

Master File
Project File

Date report mailed to Contractor: 7/15/08